

### Abstract of the Disclosure

A toy system includes a data source operative in combination with a communication device such as a television receiver or the like. The data source applies data to a watermarking system which in turn embeds the data within the audio information processed by the television receiver. A repeater positioned in communication with the television receiver senses the watermarked audio information and recovers the embedded data therefrom. The repeater then modulates the recovered data upon a radio frequency carrier which is then broadcast throughout a play environment. A plurality of toys positioned about the play environment include apparatus for receiving, decoding and responding to the data within the broadcast radio frequency signal.